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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. AB-1043 (Sub-No. 1)

**MONTREAL, MAINE & ATLANTIC RAILWAY, LTD -
DISCONTINUANCE OF SERVICE AND ABANDONMENT -
IN AROOSTOOK AND PENOBSCOT COUNTIES, MAINE**

MOTION TO COMPEL

**ENTERED
Office of Proceedings**

APR 1 - 2010

**Part of
Public Record**

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April 1, 2010

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. AB-1043 (Sub-No. 1)

**MONTREAL, MAINE & ATLANTIC RAILWAY, LTD –
DISCONTINUANCE OF SERVICE AND ABANDONMENT –
IN AROOSTOOK AND PENOBSCOT COUNTIES, MAINE**

MOTION TO COMPEL

Irving Woodlands LLC and Irving Forest Products, Inc. (collectively, “Irving”), pursuant to 49 CFR § 1114.31, hereby file this Motion to Compel with the Surface Transportation Board (“Board”) in the above-captioned proceeding. In support hereof, Petitioners state as follows:

I. FACTUAL BACKGROUND

The Montreal, Maine & Atlantic Railway, Ltd. (“MMA”) filed an application (“Application”) on February 25, 2010 seeking Board approval under 49 USC § 10903 to discontinuance rail service on and abandon approximately 233 miles of track in northern Maine. As a user of the rail lines proposed for abandonment, Irving has a keen interest in continuation of rail service. After reviewing the Application, Irving issued Interrogatories and Requests for Production to MMA on March 12, 2010. See attached Exhibit 1. MMA responded on March 25, 2010, objecting to the great majority of the requests and refusing to produce virtually all documents requested. Exhibit 2. Irving promptly replied via letter on March 26, 2010, narrowing the scope of many requests, providing further description of the information and documents sought, and providing justification for all requests that Irving continued to pursue. Exhibit 3. MMA responded via letter on March 30, 2010, agreeing to conduct a search for

certain documents. Exhibit 4. However, MMA continued to object to other requests which are directly related to the subject matter of this proceeding. With no other options and the April 12 deadline for Protests fast approaching, Irving now files this Motion to Compel and requests expedited consideration by the Board.

II. SUMMARY OF ARGUMENT

Irving requests that the Board order MMA to respond to Interrogatories 17-19 and 23-25, and respond to Requests for Production 2, 17-20, and 22. These discovery requests directly pertain to the Application, assertions made by MMA, and the Board's standards in evaluating abandonment applications under 49 USC § 10903.

III. THE MOTION SHOULD BE GRANTED SO THAT THE PUBLIC INTEREST STANDARD CAN BE ADEQUATELY EVALUATED

With Interrogatory 25, Irving sought information regarding certain traffic on the Madawaska to Van Buren/St. Leonard segment, which would be stranded from the MMA system if the abandonment goes forward. Exhibit 1 at 7; Exhibit 3 at 4. Meanwhile, Request for Production 20 seeks documents regarding how MMA will conduct its rail operations if the Application is approved. Exhibit 1 at 9; Exhibit 3 at 6. Both of these requests directly concern the effect of the abandonment on shippers in the area and their transportation options; therefore, the public interest standard is implicated.

Evaluation of a proposed abandonment under 49 USC § 10903 requires the Board to "balance the potential harm to affected shippers and communities against the present and future burden that continued operations could impose on the railroad and on interstate commerce."

South Orient Railroad Company, Ltd. – Abandonment and Discontinuance of Trackage Rights – Between San Angelo and Presidio, TX, STB Docket No. AB-545, 3 STB 743, 757 (1998).

Abandonment decisions are "not based solely on mathematical computations and

considerations,” therefore, any potential harms to the shipping public and rural and community development must be ascertained. *CSX Transportation, Inc. – Abandonment Exemption – In Anderson County, SC*, STB Docket No. AB-55 (Sub-No. 664X), slip op. at 4 (served Aug. 15, 2006).

Determining the effect of a proposed abandonment on shippers and communities requires evaluation of the quality of transportation options and rail service available after the proposed abandonment. MMA’s refusal to answer Interrogatory 25 and Request for Production 20 make it impossible for Irving to adequately evaluate the Application.

Interrogatory 25 seeks information on the number of cars of logs, woodchips, and wood pulp originated on the 23-mile section of MMA between Madawaska and Van Buren/St. Leonard. See Exhibit 1 at 7 and Exhibit 3 at 4. This 23-mile MMA segment would be stranded from the remainder of the MMA system in the event the abandonment is approved, and its only link to the U.S. rail network would be through Canada. Irving raised concerns about the quality of rail service to this stranded segment if the Application is approved. See Irving’s Motion to Reject or Dismiss Application at 4-7 (filed March 12, 2010). The Board stated that these concerns would be addressed in the merits phase of the case (see decision served March 17, 2010 in this docket). The Board should order MMA to answer Interrogatory 25 so that post-abandonment service to the stranded segment can be evaluated. *Cf. Owensville Terminal Company Inc. – Abandonment Exemption – In Edwards and White Counties, IL and in Gibson and Posey Counties, IN*, STB Docket No. AB-477 (Sub-No. 1X), slip op. at 3 (served Aug. 1, 1997) (Board considers rail service effects beyond rail lines proposed for abandonment).

Request for Production 20 seeks documents regarding how MMA rail operations will change if the abandonment is approved. Exhibit 1 at 9. After Irving explained the relevance of

MMA's post-abandonment operations (Exhibit 3 at 6), MMA again objected as to relevance, and stated that any changes are self-evident, such as cessation of service to the Abandonment Lines. Exhibit 4 at 3.

The Board should order MMA to answer Request for Production 20 regarding its projected rail operations if the abandonment is approved. To support its Application, MMA has relied upon assertions that (1) shippers can use truck-to-rail transload services on MMA, and (2) MMA might build a new transload facility on its line at Millinocket. See V.S. McGonigle at 16-17. MMA even calculated alternative transportation rates to an MMA-served transload facility for post-abandonment transportation. V.S. Holland at 4-5. MMA has also asserted that abandonment will not have a negative impact on rail service to the stranded segment between Madawaska and Van Buren/St. Leonard. See Reply of MMA in Opposition to Motion to Reject or Dismiss Application at 5-6 (filed Mar. 15, 2010). These assertions are clearly relevant to evaluation of the Application, and the Board should order MMA to respond to Request for Production 20.

IV. THE MOTION SHOULD BE GRANTED BECAUSE MMA'S CONCERNS ABOUT "RISK" ARE ILLUSORY IN LIGHT OF THE PROTECTIVE ORDER

Finally, MMA has refused to produce documents in response to Requests for Production 2 and 17-19 because MMA does not believe production "is warranted or justified at this time" and "there is a risk that production would prejudice MMA." See Exhibit 3 at 3. These requests concern supporting documentation for the net liquidated value ("NLV") of the real estate interests owned by MMA in the Abandonment Lines right-of-way. See Exhibit 2 at 4-6. Of course, the NLV of a rail line proposed for abandonment is a critical part of the evaluation of the opportunity costs relied upon by MMA. Application at 10-16; 49 CFR §§ 1152.32(p) and 1152.34.

The Protective Order issued by the Board on March 4, 2010 protects MMA against any possible risk due to production under Section 8, which states that “[d]esignated Material may not be used for any purposes, including without limitation any business, commercial, strategic or competitive purpose, other than the preparation and presentation of evidence and argument in these Proceedings.” Moreover, Section 9 of the Protective Order states that “[a]ny person or entity who receives Designated Material in discovery shall destroy such materials and any notes or documents reflecting such materials...at the earlier of (a) such time as it withdraws from these Proceedings or (b) the completion of these Proceedings, including any petitions for reconsideration, appeals, or remands.” The Board should order MMA to produce the documents requested in Requests for Production 2 and 17-19. Furthermore, MMA may restrict the distribution of such documents to only individuals who have signed the “Highly Confidential” undertaking. The requested documents are no more sensitive than those that the Board routinely requires railroads to produce in merger proceedings and rate cases.

V. MMA SHOULD BE ORDERED TO PRODUCE THE RRIF LOAN APPLICATION AND RESPOND WITH CLARITY ABOUT IT

With Interrogatories 23 and 24, as well as Request for Production 22, Irving sought information related to the Railroad Rehabilitation and Improvement Financing (“RRIF”) loan obtained by MMA. Exhibit 1 at 7 and 9. MMA initially objected as to relevance. Exhibit 2 at 6 and 10. In response, Irving explained that costs related to the RRIF loan were relevant if they were or should be included in the Base Year calculations by MMA. Exhibit 3 at 3 and 6. Additionally, Irving sought clarity on whether the Abandonment Lines were encumbered as a result of the RRIF loan. Exhibit 3 at 3.

MMA replied that no costs associated with the RRIF loan were included in the Base Year, and did not produce the RRIF loan application. Exhibit 4 at 2 and 4. Moreover, MMA did

not unambiguously reply to whether the Abandonment Lines are encumbered by the RRIF loan. Exhibit 4 at 2. The RRIF loan is highly relevant because it may include a penalty or other provision triggered by abandonment of rail lines encumbered by the loan, or rail lines on which loan funds were spent. The Board should order MMA to produce relevant RRIF documents and state clearly whether or not the Abandonment Lines are encumbered as a result of the RRIF loan.

VI. THE MOTION SHOULD BE GRANTED DUE TO MMA'S FAILURE TO SUPPORT CERTAIN INTERROGATORY RESPONSES

In Interrogatories 17-18, Irving asked for the basis of certain statements by MMA's witness Joseph McGonigle in the Application. See attached Exhibit 1 at page 7. These statements were not supported in the Application or the relevant Verified Statement, but directly concern MMA's assertion that adequate trucking and road capacity exists in the northern Maine region to provide feasible alternative transportation to shippers. See Application at 21 (MMA states that "rail customers located on or served by the Abandonment Lines have adequate alternative transportation options"). In conjunction with Request for Production 1, any documents related to Interrogatories 17-18 should also have been produced to Irving.

In response to these two Interrogatories, MMA merely cited Mr. McGonigle's experience, personal knowledge, and observations. Exhibit 2 at 5. No workpapers or documents were produced, cited, or referenced. Given the importance of the alternative transportation issue, Irving specifically requested any documents reviewed, consulted, or created by Mr. McGonigle in developing these opinions. Exhibit 3 at 3. MMA replied by mentioning that Mr. McGonigle "consulted several public documents, including documents available" at certain websites. Exhibit 4 at 2. The use of the word "including" by MMA is ambiguous because it suggests that additional documents were also reviewed, other than those mentioned. The Board should order

MMA to produce these additional documents or state that all documents have already been produced.

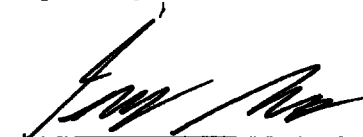
Similarly, Interrogatory 19 sought the basis for a truck transportation related statement by Mr. McGonigle, and MMA referred to his experience and personal knowledge. Exhibit 2 at 5. No documents were produced, as requested by Request for Production 1. When pressed for the documents reviewed, consulted, or created by Mr. McGonigle in developing this opinion, MMA merely said "various documents" were consulted, "including" the websites previously mentioned. As with Interrogatories 17-18, the use of the word "including" is ambiguous and MMA should be required to produce all requested documents or state that all documents have been produced.

Interrogatory 19 presents a further conundrum. This Interrogatory specifically requested the basis for the statement by Mr. McGonigle that "MMA's rail market share compared to trucks in the area served by the Abandonment Lines amounts to less the [sic] 10% of overall shipping activity." McGonigle V.S. at 5. In addition to requesting the documents mentioned above, Irving also sought support for the 10% figure, such as the calculation used to derive that figure, and what the inputs were. Exhibit 3 at 3. MMA's response did not explain the origin of the 10% figure. Exhibit 4 at 2. Mr. McGonigle's use of a specific numeric figure should be supported by calculations showing why the figure is 10%, and not 12% or 8% or 20% or some other number. The Board should order MMA to produce the supporting calculation or state that no such calculation exists.

VII. CONCLUSION

WHEREFORE, for the foregoing reasons, Irving respectfully requests the Board to issue an order compelling MMA to immediately respond to Interrogatories 17-19 and 23-25, and produce documents requested in Requests for Production 2, 17-20, and 22.

Respectfully submitted,



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*Attorneys for Irving Woodlands LLC and
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April 1, 2010

CERTIFICATE OF SERVICE

I certify that on this 1st day of April 2010 I caused a copy of the foregoing to be served by e-mail or by first class mail, postage prepaid upon all parties of records.

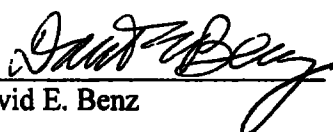

David E. Benz

EXHIBIT 1

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. AB-1043 (Sub-No. 1)

**MONTREAL, MAINE & ATLANTIC RAILWAY, LTD –
DISCONTINUANCE OF SERVICE AND ABANDONMENT –
IN AROOSTOOK AND PENOBSBOT COUNTIES, MAINE**

**IRVING WOODLANDS LLC'S AND IRVING FOREST PRODUCTS, INC.'S
FIRST SET OF INTERROGATORIES,
REQUESTS FOR PRODUCTION OF DOCUMENTS,
AND REQUEST TO ENTER UPON LAND**

COMES NOW, Irving Woodlands LLC and Irving Forest Products, Inc. (collectively, "Irving") and serves its First Set of Interrogatories and Requests for the Production of Documents, and its Request for Right to Enter Upon and Inspect Land upon the Montreal, Maine & Atlantic Railway, Ltd. ("MMA") in the above-captioned proceeding, pursuant to 49 CFR Part 1114. The Interrogatories, Requests for Production, and the Request for Right to Enter Upon and Inspect Land contained herein are subject to the Instructions and Definitions set forth below. Irving requires responses from MMA within fifteen (15) days from the date hereof. If there are any questions concerning the Instructions, Definitions, Interrogatories, Requests for Production, or Request for Right to Enter Upon and Inspect Land, MMA is asked to contact Irving's undersigned counsel.

I. INSTRUCTIONS.

1. These Interrogatories and Requests for Production of Documents are continuing and MMA is required to supplement its responses to the extent that further or different information becomes known or available.

2. Each numbered Interrogatory is to be answered separately and fully in writing, and no Interrogatory limits or modifies any other Interrogatory unless specifically stated.

3. Each numbered Request for Production is independent of any other, unless specifically stated, and requires a separate response.

4. If any objection is interposed to any of these Interrogatories or Requests for Production, or to the Request for Right to Enter Upon and Inspect Land, the basis for, and scope of the objection must be stated, and a response must be provided to the extent that the Interrogatory or Request for Production is not objectionable.

5. If any privilege is claimed as to any information or response called for by these Interrogatories and Requests for Production, state the nature of the privilege claimed and the basis for claiming the privilege, and then provide information or a response to the maximum extent possible without intruding upon the claim of privilege.

6. If any document responsive to any Request for Production has been lost or destroyed, then such document shall be identified, including the names of the author(s) and recipient(s), the dates of creation and loss or destruction, the contents of the document, and the circumstances surrounding its loss or destruction.

7. These Interrogatories and Requests for Production and the Request for Right to Enter Upon and Inspect Land are subject to the following Definitions, but otherwise are to be construed in accordance with their ordinary, plain-language meaning.

8. These Interrogatories and Requests for Production and the Request for Right to Enter Upon and Inspect Land are subject to the discovery rules of the Surface Transportation Board, codified at 49 CFR Part 1114, and the Instructions contained herein should be interpreted in harmony with such discovery rules, and not in derogation thereof.

II. DEFINITIONS.

1. The term "Board" or "STB" means the Surface Transportation Board, an agency of the United States government, and its staff, officers, employees, agents or other representatives.

2. The term "communications" means any exchange of words, thoughts, or ideas with another person(s), whether person-to-person, in a group, in a meeting, orally, or by telephone, letter, memorandum, writing, telefax, electronic mail, or otherwise and includes without limitation any printed, typed, handwritten or other readable document or audio and/or visual recording.

3. The terms "MMA" and "you" and "your" mean the Montreal, Maine & Atlantic Railway and/or anyone acting on its behalf.

4. The term "document" is used in its broadest sense and means any written, typewritten, handwritten, printed, electronic, or recorded information, now or at any time in your possession, custody or control, including all originals, copies, and versions. For purposes of illustration, the term "document" includes, but is not limited to, agreements, memoranda, reports, books, manuals, instructions, financial reports, working papers, records, notes, letters, notices, confirmations, email, telegrams, receipts, appraisals, pamphlets, desk calendars, magazines, newspapers, prospectuses, interoffice and intra-office communications, contracts, cables, time

records, analyses, writings, summaries, minutes, bills, accounts, estimates, projections, comparisons, messages, correspondence, press releases, circulars, bank statements, canceled checks, tax returns, reports, reviews, opinions, offers, studies, investigations, questionnaires, surveys, worksheets, maps, photographs, pictures, charts, graphs, microfiche, microfilm, videotape, motion pictures, and other information of any kind or nature recorded in writing, electronic data storage, disk, film, tape, disc or videotape.

5. The "Line" means the lines of railroad for which MMA has sought STB approval to abandon, as described more fully in MMA's application for abandonment, received at the STB on February 25, 2010,

6. "Identify", when used in reference to a natural person, means to state that person's full name, and on the first occasion that such person is identified, the following information concerning that person:

- a. Present or last known business address and telephone number;
- b. Present or last known employer; and
- c. Present or last known job title.

7. "Identify" when used in reference to any entity other than a natural person, means to set forth the full name or title of the entity and, on the first occasion that such entity is identified, to state the address, telephone number, and principal business or activity of such entity.

8. "Identify" when used in connection with a document, means to state the following:

- a. The nature of the document (e.g., letter, memorandum, contract, tariff, bill of lading, invoice, etc.);
- b. The date of the document or, if undated, the date the document was written or created;
- c. The identity of the person or persons who wrote or created the document;
- d. The identity of all persons to whom the document was sent, or who

- received the document;
- e. The file number or other identifying mark or code of the document;
- f. The general subject matter of the document;
- g. The present or last known location of the document; and
- h. The name and address of the present or last known custodian of the document.

In all instances where you are asked to identify a document, you may supply fully legible copies of such documents as attachments to your answers to these interrogatories in lieu of the above-described identification, provided that you specify each interrogatory as to which the document is responsive.

9. "Relating to" and "relates to" mean, without limitation, referring to, regarding, embodying, mentioning, pertaining to, or concerning, directly or indirectly, the subject matter.

III. INTERROGATORIES.

1. Please state MMA's operating revenues and operating costs from providing rail transportation service for the entire MMA system, as well as by each subdivision of the MMA rail system, for each of the years 2009, 2008, 2007, 2006, 2005, 2004, and 2003.

2. Please state MMA's operating revenues and operating costs from providing rail transportation service on the Line for each of the years 2009, 2008, 2007, 2006, 2005, 2004, and 2003.

3. For each of the years 2009, 2008, 2007, 2006, 2005, 2004, and 2003, please state MMA's capital expenditures separately for each of the following subdivisions: Madawaska, Presque Isle, Fort Fairfield, Limestone, and Houlton.

4. Please identify all sources of revenue arising from the Line that are not associated with railroad operations, and identify the amount of such revenues, by type and location, on an annual basis for years 2009, 2008, 2007, 2006, 2005, 2004, and 2003.

5. Please identify by name and milepost all customers on the Line that were served by MMA in the year 2009.

6. For each customer identified in response to Interrogatory No. 6, please state the number of inbound and the number of outbound railcar shipments that MMA handled and, to the extent possible, the respective customer commodities and railcar types used for service.

7. Please describe the experience of your witness Melody A. Sheahan in the following areas, including specific names of rail lines and dates where appropriate: determining the net liquidation value of rail assets, selling rail assets recently removed from rail corridors, removing rail assets, transporting removed rail assets, providing testimony or verified statements in STB proceedings or other agency or court proceedings, and valuing rail assets in rail lines planned for abandonment.

8. Please explain the extent to which Melody A. Sheahan personally inspected the rail assets of the Line as part of her determination of the net liquidated value of those assets.

9. Please describe the experience of your witness Richard M. Gottlieb in the following areas, including specific names of rail lines and dates where appropriate: determining the net liquidated value of railroad real estate property interests by use of a "corridor methodology", selling railroad real estate property interests as complete rail corridors, providing testimony or verified statements in STB proceedings or other agency or court proceedings, valuing railroad real estate property interests by use of a "corridor methodology" in rail lines planned for abandonment, and electric power transmission line planning and siting.

10. Please describe the experience of your witness Lowell Sherwood in the following areas, including specific names of rail lines and dates where appropriate: determining the net liquidated value of railroad real estate property interests, selling railroad real estate property interests, providing testimony or verified statements in STB proceedings or other agency or court proceedings, and valuing railroad real estate property interests in rail lines planned for abandonment.

11. Explain the basis for the statement on page 6 of the Verified Statement of Richard M. Gottlieb that "most holders of adverse rights do not know that they hold them."

12. Describe the damages paid to compensate for reversionary or servient rights in connection with the sale of a rail right-of-way from the Bangor & Aroostook Railroad to the Maine Department of Conservation, as described on pages 2-3 and 5-6 of the Verified Statement of Richard M. Gottlieb.

13. Explain the basis for the statement on page 7 of the Verified Statement of Richard M. Gottlieb that "[t]he potential producers of electricity have indicated that the rail corridors are sufficiently wide."

14. Explain the basis for the statement on page 8 of the Verified Statement of Richard M. Gottlieb that "parties desiring to produce electricity for sale in US markets will probably be looking for the ability to tie up or reserve corridors to be used for transmission capacity."

15. Explain the "[p]reliminary indications" which support the "the value of an option for 5 years" described on page 8 of the Verified Statement of Richard M. Gottlieb.
16. Please identify each person you have retained, or expect to retain as an expert witness or outside consultant, in connection with this proceeding.
17. Explain the basis for the statement on page 5 of the Verified Statement of Joseph R. McGonigle that "there appears to be sufficient trucking capacity in the region to handle the business that would be diverted from rail if rail operations cease on the Abandonment Lines."
18. Explain the basis for the statement on page 5 of the Verified Statement of Joseph R. McGonigle that "the current volumes of traffic on these roads are at levels that could accommodate additional truck traffic that might be generated if the Abandonment Lines are no longer in operation."
19. Explain the basis for the statement on page 5 of the Verified Statement of Joseph R. McGonigle that "MMA's rail market share compared to trucks in the area served by the Abandonment Lines amounts to less the [sic] 10% of overall shipping activity."
20. Explain the basis for the statement on page 18 of the Verified Statement of Joseph R. McGonigle that "additional rate increases would only result in losing more business to trucks or other transportation alternatives."
21. Explain the basis for the statement on page 4 of the Verified Statement of Joseph R. McGonigle that "[i]t is highly unlikely that there will be future investments in either plant or machinery to expand production of paper in the state of Maine."
22. Explain the basis for the assumption on page 4 of the Verified Statement of Robert E. Holland that "for rail movements of approximately 300 miles or less, it would be likely that a rail car would be diverted exclusively to truck."
23. Describe which portions of the MMA system are encumbered as a result of the loan received by the MMA through the Federal Railroad Administration Railroad Rehabilitation and Improvement Financing program.
24. Please describe the repayment schedule for the loan received by MMA through the Federal Railroad Administration Railroad Rehabilitation and Improvement Financing Program.
25. Provide the number of rail cars of logs, woodchips, and wood pulp that MMA originated in the Base Year that were destined to points outside of Maine.
26. State whether MMA has estimated the number of truck-to-rail and rail-to-truck transloads by MMA's own customers that bypass MMA, and if so, provide those estimates.

III. REQUESTS FOR PRODUCTION.

1. Produce all documents relating to MMA's responses to all Interrogatories above.
2. Produce all documents related to discussions about purchasing or offers to purchase real estate property interests held by MMA in the Line.
3. Produce all documents related to discussions about purchasing or offers to purchase track assets owned by MMA in the Line.
4. Produce all documents related to discussions about removing rail assets of the Line, or offers to remove rail assets of the Line.
5. Produce all documents related to discussions about transporting newly-removed rail assets of the Line, or offers to transport newly-removed rail assets from the Line.
6. Produce all documents regarding the possibility of MMA retaining the Madawaska Subdivision while filing for abandonment of any portion or all of the Presque Isle Subdivision, the Fort Fairfield Subdivision, the Limestone Subdivision, and the Houlton Subdivision.
7. Produce all documents regarding MMA's decision to not seek STB abandonment authority for the MMA between Madawaska and Van Buren.
8. Produce all documents regarding MMA's decision to not seek STB abandonment authority for the MMA between Millinocket and Brownville Junction.
9. Produce all documents related to MMA's decision about the precise endpoints (approximately at Madawaska and Millinocket) that would be included in the abandonment application filed on or about February 25, 2010 at the STB.
10. Produce all documents regarding the going concern value and the net liquidation value of the MMA lines between Madawaska and Van Buren and between Millinocket and Brownville Junction.
11. Produce all documents regarding the effect of higher railroad speeds and/or faster response time to customers' service requests on the traffic levels and profitability of the Line.
12. Produce all documents regarding projections of the portion of traffic currently using the Line that would still be carried by MMA, such as from a transload facility, in the future after abandonment.
13. Produce all documents regarding projections of transportation rates, MMA revenues, and MMA profit to be earned from traffic currently using the Line that will still be carried by MMA, such as from a transload facility, in the future after abandonment.

14. Produce copies of all complaints from customers about MMA service on the Line, as well as MMA's response to those complaints.

15. Produce all documents related to due diligence performed by MMA before its 2003 purchase of the Line. Include all documents related to future expected traffic levels, revenues, operating costs, and capital expenditures.

16. Produce all documents related to MMA's valuation of the Line before and at the time of the MMA purchased the Line in 2003.

17. Produce all documents related to the "discussions with a group in the timber business...concerning the possibility of a purchase and sale of approximately 80 miles of the 233 mile corridor" described on page 4 of the Verified Statement of Richard M. Gottlieb.

18. Produce all documents related to the "offer from the Maine Public Service to acquire land at various locations within the 233 miles relating to existing utility easements" described on page 4 of the Verified Statement of Richard M. Gottlieb.

19. Produce all documents supporting the statement "[o]ther parties have expressed similar interests directly to MMA" found on page 7 of the Verified Statement of Richard M. Gottlieb.

20. Produce all documents related to how MMA rail operations will or may change if the abandonment of the Line is approved by the STB.

21. Produce your most recent track charts and maps for the Line.

22. Produce all documents, including the RRIF loan application, related to the Federal Railroad Administration Railroad Rehabilitation and Improvement Financing loan obtained by MMA.

23. Produce all documents related to any other liens on the real property or track assets of the Line.

24. Produce any and all workpapers (such as those mentioned on page 5 of the Verified Statement of Melody Sheahan) and other documents, materials, data, information, analysis, or calculations underlying, supporting, explaining, or contradicting the Verified Statements included in the MMA application for abandonment filed with the STB on or about February 25, 2010.

25. Produce all documents related to any marketing efforts or initiatives that MMA undertook between 2003 and 2010 to increase traffic on the Line from existing shippers and/or from any new shipper. For purposes of this request, "new shipper" means any company that had not previously shipped goods on the Line.

26. Produce all documents related to the volume of traffic handled and the total capacity at the Hermon, Maine facility of Logistics Management Systems for the years 2003, 2004, 2005, 2006, 2007, 2008, and 2009.

27. Produce all documents related to expected traffic at (and revenues generated by) the Hermon, Maine facility of Logistics Management Systems if the STB approves abandonment of the Line or rail operations cease on the Line.

28. Produce all documents related to the "contemplated" transload facility at Millinocket, as described on page 17 of the Verified Statement of Joseph McGonigle.

V. REQUEST FOR RIGHT TO ENTER UPON AND INSPECT LAND.

1. Please grant a right of access to Irving and its counsel or consultants retained in connection with this proceeding to enter upon the Line and related MMA property for all lawful purposes related to this proceeding in STB Finance Docket No. AB-1043 (Sub-No. 1), including inspection, survey, measuring, testing, photographing and sampling. Irving will work with MMA to determine an appropriate time and manner for this inspection.

Respectfully submitted,



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202.331.8330 (fax)

*Attorneys for Irving Woodlands LLC and
Irving Forest Products, Inc*

March 12, 2010

CERTIFICATE OF SERVICE

I certify that on this 12th day of March 2010 I caused a copy of the foregoing First Set of Interrogatories, Requests for the Production of Documents, and Request to Enter Upon Land to be served by e-mail and U.S. first-class mail upon counsel for the Montreal, Maine & Atlantic Railway at:

James E. Howard
Suite 201
1 Thompson Square
Charlestown, MA 02129

jim@jehowardlaw.com



David E. Benz

EXHIBIT 2

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Docket No. AB-1043 (Sub-No. 1)

**MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.--
DISCONTINUANCE OF SERVICE AND ABANDONMENT--
IN AROOSTOOK AND PENOBSCOT COUNTIES, MAINE**

**ANSWERS AND OBJECTIONS OF MONTRÉAL, MAINE
& ATLANTIC RAILWAY, LTD. TO "IRVING WOODLANDS
LLC'S AND IRVING FOREST PRODUCTS, INC.'S
FIRST SET OF INTERROGATORIES, REQUESTS FOR PRODUCTION
OF DOCUMENTS, AND REQUEST TO ENTER UPON LAND"**

**Montréal, Maine & Atlantic Ry., Limited ("MMA") hereby responds to "Irving
Woodlands LLC's and Irving Forest Products, Inc.'s First Set of Interrogatories, Requests
for Production of Documents, and Requests to Enter upon Land":**

INTERROGATORIES

Interrogatory 1. Please state MMA's operating revenues and operating costs from providing rail transportation service for the entire MMA system, as well as by each subdivision of the MMA rail system, for each of the years 2009, 2008, 2007, 2006, 2005, 2004, and 2003.

**Answer and Objection 1. MMA objects to this interrogatory, because operating revenues and operating costs from rail transportation service for the entire MMA system or for subdivisions that are not part of the Line are not relevant. Furthermore, MMA does not maintain records of operating revenues and operating costs by subdivision in the ordinary course of business. MMA has provided operating revenues and operating costs for the Line for the Base Year and the Forecast Year in the application. Without waiving such objections, the operating revenues and operating costs from rail transportation service for the entire MMA system for 2009 were [\$27,974,967 and \$26,098,481—
CONFIDENTIAL], respectively.**

Interrogatory 2. Please state MMA's operating revenues and operating costs from providing rail transportation service on the Line for each of the years 2009, 2008, 2007, 2006, 2005, 2004, and 2003.

Answer and Objection 2. MMA objects to this interrogatory, because information concerning operating revenues and operating costs from rail transportation service on the Line for the years 2003-2009 are not relevant. In accordance with the Board's regulations, MMA has provided such information for the Base Year and the Forecast Year in the application. Furthermore, MMA did not maintain records of operating revenues and operating costs separately for the Line for such years, and it would be unduly burdensome, time-consuming and expensive to conduct an analysis in order to determine operating revenues and operating costs for rail transportation service on the Line for each such year.

Interrogatory 3. For each of the years 2009, 2008, 2007, 2006, 2005, 2004, and 2003, please state MMA's capital expenditures separately for each of the following subdivisions: Madawaska, Presque Isle, Fort Fairfield, Limestone, and Houlton.

Answer and Objection 3. MMA objects to this interrogatory, because the information is not relevant. Furthermore, it would be unduly burdensome and time consuming to review records in order to produce capital expenditure information separately for each of the subdivisions comprising the Line.

Interrogatory 4. Please identify all sources of revenue arising from the Line that are not associated with railroad operations, and identify the amount of such revenues, by type and location, on an annual basis for years 2009, 2008, 2007, 2006, 2005, 2004, and 2003.

Answer and Objection 4. MMA objects to this interrogatory, because sources of revenue arising from the Line not associated with rail operations for all years from 2003 to 2009 are not relevant. Furthermore, sources of such revenue for the Base Year and the Forecast Year have been provided in the application in accordance with the regulations.

Interrogatory 5. Please identify by name and milepost all customers on the Line that were served by MMA in the year 2009.

Answer and Objection 5. MMA objects to this interrogatory, because the information sought is not relevant. Such information has been provided in the application for "significant users", as defined in the regulations, for the Base Year and the Forecast Year. Without waiving such objection, the names and milepost locations of customers on the Line served by MMA in 2009 were as set forth in the attached document entitled "2009 Customers on Abandonment Line".

Interrogatory 6. For each customer identified in response to Interrogatory No. 6 [sic], please state the number of inbound and the number of outbound railcar shipments that MMA handled and, to the extent possible, the respective customer commodities and railcar types used for service.

Answer and Objection 6. MMA objects to this interrogatory, because the information sought is not relevant and it would be unduly burdensome and time consuming to provide such information. Furthermore, such information for the Base Year has been provided for the "significant users", as defined in the Board's regulations, in the application.

Interrogatory 7. Please describe the experience of your witness Melody A. Sheahan in the following areas, including specific names of rail lines and dates where appropriate: determining the net liquidation value of rail assets, selling rail assets recently removed from rail corridors, removing rail assets, transporting removed rail assets, providing testimony or verified statements in STB proceedings or other agency or court proceedings, and valuing rail assets in rail lines planned for abandonment.

Answer and Objection 7. Ms. Sheahan has supervised and exercised management responsibility for the removal, sale and transportation of rail assets in connection with capital and maintenance track programs on lines of MMA.

Interrogatory 8. Please explain the extent to which Melody A. Sheahan personally inspected the rail assets of the Line as part of her determination of the net liquidated value of those assets.

Answer and Objection 8. Ms. Sheahan personally inspected the rail assets of the Line by geometry car or hy-rail vehicle. In addition, staff members who report to Ms. Sheahan inspected and reported on such rail assets

Interrogatory 9. Please describe the experience of your witness Richard M. Gottlieb in the following areas, including specific names of rail lines and dates where appropriate: determining the net liquidated value of railroad real estate property interests by use of a "corridor methodology", selling railroad real estate property interests as complete rail corridors, providing testimony or verified statements in STB proceedings or other agency or court proceedings, valuing railroad real estate property interests by use of a "corridor methodology" in rail lines planned for abandonment, and electric power transmission line planning and siting.

Answer 9. Mr. Gottlieb's experience in selling railroad real estate property interests as complete rail corridors and valuing railroad real estate property interests by use of a corridor methodology in rail lines planned for abandonment is set forth in his Verified Statement.

Interrogatory 10. Please describe the experience of your witness Lowell Sherwood in the following areas, including specific names of rail lines and dates where appropriate:

determining the net liquidated value of railroad real estate property interests, selling railroad real estate property interests, providing testimony or verified statements in STB proceedings or other agency or court proceedings, and valuing railroad real estate property interests in rail lines planned for abandonment.

Answer 10. Mr. Sherwood's experience in valuing railroad real estate property interests in rail lines is set forth in his Verified Statement and the appraisals attached to the Verified Statement.

Interrogatory 11. Explain the basis for the statement on page 6 of the Verified Statement of Richard M. Gottlieb that "most holders of adverse rights do not know that they hold them."

Answer 11. The basis for the statement is Mr. Gottlieb's experience in selling abandoned railroad rights-of-way, as described in his Verified Statement.

Interrogatory 12. Describe the damages paid to compensate for reversionary or servient rights in connection with the sale of a rail right-of-way from the Bangor & Aroostook Railroad to the Maine Department of Conservation, as described on pages 2-3 and 5-6 of the Verified Statement of Richard M. Gottlieb.

Answer 12. Mr. Gottlieb's Verified Statement does not describe, and the seller did not pay, damages to compensate for reversionary or servient rights in connection with the sales referred to in pages 2-3 and 5-6 of the Verified Statement.

Interrogatory 13. Explain the basis for the statement on page 7 of the Verified Statement of Richard M. Gottlieb that "[t]he potential producers of electricity have indicated that the rail corridors are sufficiently wide."

Answer 13. The basis for Mr. Gottlieb's statement that potential producers of electricity have indicated that the rail corridors are sufficiently wide is conversations with potential users of the rights-of-way for the transmission of electricity.

Interrogatory 14. Explain the basis for the statement on page 8 of the Verified Statement of Richard M. Gottlieb that "parties desiring to produce electricity for sale in US markets will probably be looking for the ability to tie up or reserve corridors to be used for transmission capacity."

Answer 14. The basis for Mr. Gottlieb's statement that producers of electricity for sale in US markets will probably be looking for the ability to tie up or reserve corridors to be used for transmission capacity is conversations with potential users of the rights-of-way for the transmission of electricity.

Interrogatory 15. Explain the "[p]reliminary indications" which support the "the value of an option for 5 years" described on page 8 of the Verified Statement of Richard M. Gottlieb.

Answer 15. The preliminary indications supporting the value of an option as described at page 8 of Mr. Gottlieb's Verified Statement are based on conversations with potential users of the rights-of-way for the transmission of electricity.

Interrogatory 16. Please identify each person you have retained, or expect to retain as an expert witness or outside consultant, in connection with this proceeding.

Answer 16. MMA has retained Robert C. Finley, Robert E. Holland, Lowell T. Sherwood, Jr. and Richard M. Gottlieb as expert witnesses or outside consultants in connection with this proceeding.

Interrogatory 17. Explain the basis for the statement on page 5 of the Verified Statement of Joseph R. McGonigle that "there appears to be sufficient trucking capacity in the region to handle the business that would be diverted from rail if rail operations cease on the Abandonment Lines."

Answer 17. The bases for Mr. McGonigle's statement that there appears to be sufficient trucking capacity to handle business that would be diverted after the abandonment are his experience and personal knowledge and observation of the trucking services that are available to and currently used by customers that are served by the Line.

Interrogatory 18. Explain the basis for the statement on page 5 of the Verified Statement of Joseph R. McGonigle that "the current volumes of traffic on these roads are at levels that could that might be generated if the Abandonment Lines are no longer in operation."

Answer 18. The bases for Mr. McGonigle's statement that current volumes of traffic on the roads in the area of the Line if the Line is no longer in operation are his experience and personal knowledge and observation of the roads and truck service in the area and the information set forth in the preliminary draft environmental assessment served in these proceedings.

Interrogatory 19. Explain the basis for the statement on page 5 of the Verified Statement of Joseph R. McGonigle that "MMA's rail market share compared to trucks in the area served by the Abandonment Lines amounts to less the [sic] 10% of overall shipping activity."

Answer 19. The basis for Mr. McGonigle's statement that MMA's rail market share compared to trucks is less than 10% is an estimate based upon his experience and personal knowledge.

Interrogatory 20. Explain the basis for the statement on page 18 of the Verified Statement of Joseph R. McGonigle that "additional rate increases would only result in losing more business to trucks or other transportation alternatives."

Answer 20. The bases for Mr. McGonigle's statement that additional rate increases would result in losing more business to trucks are his experience and personal knowledge generally and in with respect to customers served by the Line.

Interrogatory 21. Explain the basis for the statement on page 4 of the Verified Statement of Joseph R. McGonigle that "[i]t is highly unlikely that there will be future investments in either plant or machinery to expand production of paper in the state of Maine."

Answer 21. The bases for Mr. McGonigle's statement that it is highly unlikely that there will be future investments in plant or machinery to expand the production of paper in Maine are his experience and personal knowledge of the paper industry generally and in the State of Maine.

Interrogatory 22. Explain the basis for the assumption on page 4 of the Verified Statement of Robert E. Holland that "for rail movements of approximately 300 miles or less, it would be likely that a rail car would be diverted exclusively to truck."

Answer 22. The bases for Mr. Holland's assumption that rail movements of approximately 300 miles or less would be diverted exclusively to truck are his experience and personal knowledge and consultation with MMA personnel.

Interrogatory 23. Describe which portions of the MMA system are encumbered as a result of the loan received by the MMA through the Federal Railroad Administration Railroad Rehabilitation and Improvement Financing program.

Answer and Objection 23. MMA objects to this interrogatory, because the information sought is not relevant. Without waiving such objection, the MMA system in the United States is encumbered as a result of the loan provided by the Federal Railroad Administration pursuant to the Railroad Rehabilitation and Improvement Financing program.

Interrogatory 24. Please describe the repayment schedule for the loan received by MMA through the Federal Railroad Administration Railroad Rehabilitation and Improvement Financing Program.

Answer and Objection 24. MMA objects to this interrogatory, because the information sought is not relevant.

Interrogatory 25. Provide the number of rail cars of logs, woodchips, and wood pulp that MMA originated in the Base Year that were destined to points outside of Maine.

Answer and Objection 25. MMA objects to this interrogatory, because information concerning rail cars of logs, woodchips and wood pulp originated by MMA on lines other than the Line are not relevant. Such information for rail cars originated on the Line during the Base Year has been provided in the application.

Interrogatory 26. State whether MMA has estimated the number of truck-to-rail and rail-to-truck transloads by MMA's own customers that bypass MMA, and if so, provide those estimates.

Answer and Objection 26. MMA objects to this interrogatory, because the information requested is not relevant. Without waiving such objection, MMA states that it has made no such estimate.

REQUESTS FOR PRODUCTION

Request 1. Produce all documents relating to MMA's responses to all Interrogatories above.

Answer and Objection 1. MMA objects to this request, because it is overly broad, vague and compliance would be unduly burdensome.

Request 2. Produce all documents related to discussions about purchasing or offers to purchase real estate property interests held by MMA in the Line.

Answer and Objection 2. MMA objects to this request, because any such documents are confidential and proprietary and reflect ongoing discussions concerning potential transactions.

Request 3. Produce all documents related to discussions about purchasing or offers to purchase track assets owned by MMA in the Line.

Answer 3. MMA objects to this request, because any such documents are confidential and proprietary and reflect ongoing discussions concerning potential transactions. Without waiving such objection, MMA does not believe that it has any documents related to discussions about purchasing or offers to purchase track assets in the Line.

Request 4. Produce all documents related to discussions about removing rail assets of the Line, or offers to remove rail assets of the Line.

Answer 4. Other than documents included in the application, MMA does not believe that it has any documents related to discussions about removing rail assets of the Line.

Request 5. Produce all documents related to discussions about transporting newly-removed rail assets of the Line, or offers to transport newly-removed rail assets from the Line.

Answer 5. Other than documents included in the application, MMA does not believe that it has any documents related to discussions about transporting remove rail assets of the Line.

Request 6. Produce all documents regarding the possibility of MMA retaining the Madawaska Subdivision while filing for abandonment of any portion or all of the Presque Isle Subdivision, the Fort Fairfield Subdivision, the Limestone Subdivision, and the Houlton Subdivision.

Answer and Objection 6. MMA objects to this request, because the information sought is not relevant. Without waiving such objection, MMA does not believe that it has any documents regarding the possibility of retaining the Madawaska subdivision while filing for abandonment of any of the other subdivisions.

Request 7. Produce all documents regarding MMA's decision to not seek STB abandonment authority for the MMA between Madawaska and Van Buren.

Answer and Objection 7. MMA objects to this request, because the information sought is not relevant. Without waiving such objection, MMA states that it does not believe that it has any documents regarding any decision not to seek abandonment authority for the line between Madawaska and Van Buren.

Request 8. Produce all documents regarding MMA's decision to not seek STB abandonment authority for the MMA between Millinocket and Brownville Junction.

Answer and Objection 8. MMA objects to this request, because the information sought is not relevant. Without waiving such objection, MMA states that it does not believe that it has any documents regarding any decision not to seek abandonment authority for the line between Millinocket and Brownville Junction.

Request 9. Produce all documents related to MMA's decision about the precise endpoints (approximately at Madawaska and Millinocket) that would be included in the abandonment application filed on or about February 25, 2010 at the STB.

Answer and Objection 9. MMA objects to this request, because the information sought is not relevant. Without waiving such objection, MMA states that it does not believe that it has any documents related to any decision about the precise end points of the Line.

Request 10. Produce all documents regarding the going concern value and the net liquidation value of the MMA lines between Madawaska and Van Buren and between Millinocket and Brownville Junction.

Answer and Objection 10. MMA objects to this request, because the information sought is not relevant. Without waiving such objection, MMA states that it does not believe that it has any documents regarding the going concern value of the lines between Madawaska and Van Buren and between Millinocket and Brownville Junction

Request 11. Produce all documents regarding the effect of higher railroad speeds and/or faster response time to customers' service requests on the traffic levels and profitability of the Line.

Answer and Objection 11. MMA objects to this request, because the information sought is not relevant. Without waiving such objection, MMA states that it does not believe that it has any documents, other than Exhibit J. attached to the Verified Statement of Melody A. Sheahan, regarding the effect of higher speeds or faster response time on traffic levels and profitability of the Line.

Request 12. Produce all documents regarding projections of the portion of traffic currently using the Line that would still be carried by MMA, such as from a transload facility, in the future after abandonment.

Answer and Objection 12. MMA objects to this request, because the information sought is not relevant. Without waiving such objection, MMA states that it does not believe that it has any documents regarding projections of traffic currently using the Line that would still be carried by MMA after abandonment.

Requests 13. Produce all documents regarding projections of transportation rates, MMA revenues, and MMA profit to be earned from traffic currently using the Line that will still be carried by MMA, such as from a transload facility, in the future after abandonment.

Answer and Objection 13. MMA objects to this request, because the information sought is not relevant. Without waiving such objection, MMA states that it does not believe that it has any documents regarding projections of transportation rates, revenues or profit from traffic currently using the Line that would still be carried by MMA after abandonment.

Request 14. Produce copies of all complaints from customers about MMA service on the Line, as well as MMA's response to those complaints.

Answer and Objection 14. MMA objects to this request, because the information sought is not relevant, the request is overly broad and compliance would be unduly burdensome.

Request 15. Produce all documents related to due diligence performed by MMA before its 2003 purchase of the Line. Include all documents related to future expected traffic levels, revenues, operating costs, and capital expenditures.

Answer and Objection 15. MMA objects to this request, because the information sought is not relevant.

Request 16. Produce all documents related to MMA's valuation of the Line before and at the time of the MMA purchased the Line in 2003.

Answer and Objection 16. MMA objects to this request, because the information sought is not relevant.

Request 17. Produce all documents related to the “discussions with a group in the timber business...concerning the possibility of a purchase and sale of approximately 80 miles of the 233 mile corridor” described on page 4 of the Verified Statement of Richard M. Gottlieb.

Answer and Objection 17. MMA objects to this request, because any such documents are confidential and proprietary and disclosure could adversely affect potential further discussions and transactions.

Request 18. Produce all documents related to the “offer from the Maine Public Service to acquire land at various locations within the 233 miles relating to existing utility easements” described on page 4 of the Verified Statement of Richard M. Gottlieb.

Answer and Objection 18. MMA objects to this request, because any such documents are confidential and proprietary and reflect ongoing discussions concerning potential transactions, disclosure of which could adversely affect potential further discussions and transactions.

Request 19. Produce all documents supporting the statement “[o]ther parties have expressed similar interests directly to MMA” found on page 7 of the Verified Statement of Richard M. Gottlieb.

Answer and Objection 19. MMA objects to this request, because any such documents are confidential and proprietary and reflect ongoing discussions concerning potential transactions, disclosure of which could adversely affect potential further discussions and transactions.

Request 20. Produce all documents related to how MMA rail operations will or may change if the abandonment of the Line is approved by the STB.

Answer and Objection 20. MMA objects to this request, because the information requested is not relevant.

Request 21. Produce your most recent track charts and maps for the Line.

Answer and Objection 21. Attached are track charts for the Madawaska subdivision. Track charts do not exist for the other subdivisions in the Line. There are no maps of the Line.

Request 22. Produce all documents, including the RRIF loan application, related to the Federal Railroad Administration Railroad Rehabilitation and Improvement Financing loan obtained by MMA.

Answer and Objection 22. MMA objects to this request, because the information requested is not relevant.

Request 23. Produce all documents related to any other liens on the real property or track assets of the Line.

Answer and Objection 23. MMA objects to this request, because the information requested is not relevant.

Request 24. Produce any and all workpapers (such as those mentioned on page 5 of the Verified Statement of Melody Sheahan) and other documents, materials, data, information, analysis, or calculations underlying, supporting, explaining, or contradicting the Verified Statements included in the MMA application for abandonment filed with the STB on or about February 25, 2010.

Answer and Objection 24. MMA objects to this request, because it is overly broad and compliance would be unduly burdensome. Furthermore, relevant workpapers were included in the application.

Request 25. Produce all documents related to any marketing efforts or initiatives that MMA undertook between 2003 and 2010 to increase traffic on the Line from existing shippers and/or from any new shipper. For purposes of this request, "new shipper" means any company that had not previously shipped goods on the Line.

Answer and Objection 25. MMA objects to this request, because the information requested is not relevant, the request is overly broad and compliance would be unduly burdensome.

Request 26. Produce all documents related to the volume of traffic handled and the total capacity at the Hermon, Maine facility of Logistics Management Systems for the years 2003, 2004, 2005, 2006, 2007, 2008, and 2009.

Answer and Objection 26. MMA objects to this request, because the information requested is not relevant, the request is overly broad and compliance would be unduly burdensome.

Request 27. Produce all documents related to expected traffic at (and revenues generated by) the Hermon, Maine facility of Logistics Management Systems if the STB approves abandonment of the Line or rail operations cease on the Line.

Answer and Objection 27. MMA objects to this request, because the information requested is not relevant. Without waiving such objection, MMA states that it does not have any documents related to expected traffic and revenues at LMS if the abandonment is approved.

Request 28. Produce all documents related to the "contemplated" transload facility at Millinocket, as described on page 17 of the Verified Statement of Joseph McGonigle.

Answer and Objection 28. MMA objects to this request, because it is not relevant. Without waiving such objection, MMA states that it does not have any documents related to the contemplated transload facility at Millinocket.

REQUEST FOR RIGHT TO ENTER UPON AND INSPECT LAND

1. Please grant a right of access to Irving and its counsel or consultants retained in connection with this proceeding to enter upon the Line and related MMA property for all lawful purposes related to this proceeding in STB Finance Docket No. AB-1043 (Sub-No. 1), including inspection, survey, measuring, testing, photographing and sampling. Irving will work with MMA to determine an appropriate time and manner for this inspection.

Answer 1. MMA is willing to discuss the appropriate scope, time and manner for entry of Irving upon the Line.

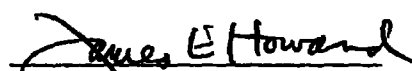
MONTREAL, MAINE & ATLANTIC
RAILWAY, LTD.

As to answers to Interrogatories:



Robert C. Grindrod
15 Iron Road
Hermon, Maine 04401

As to objections:



James E. Howard
One Thompson Square
Suite 201
Charlestown, MA 02129

VERIFICATION

State of Maine

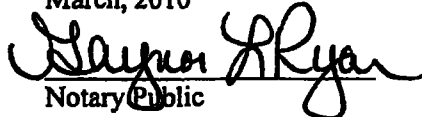
ss:

County of Penobscot

Robert C. Grindrod, being duly sworn, deposes and says that he has read the foregoing answers to interrogatories, knows the facts asserted there are true and that the same are true as stated.


Robert C. Grindrod

Subscribed and sworn to
before me this 23 day of
March, 2010


Notary Public

GAYNOR L. RYAN
Notary Public, Maine
My Commission Expires May 4, 2015

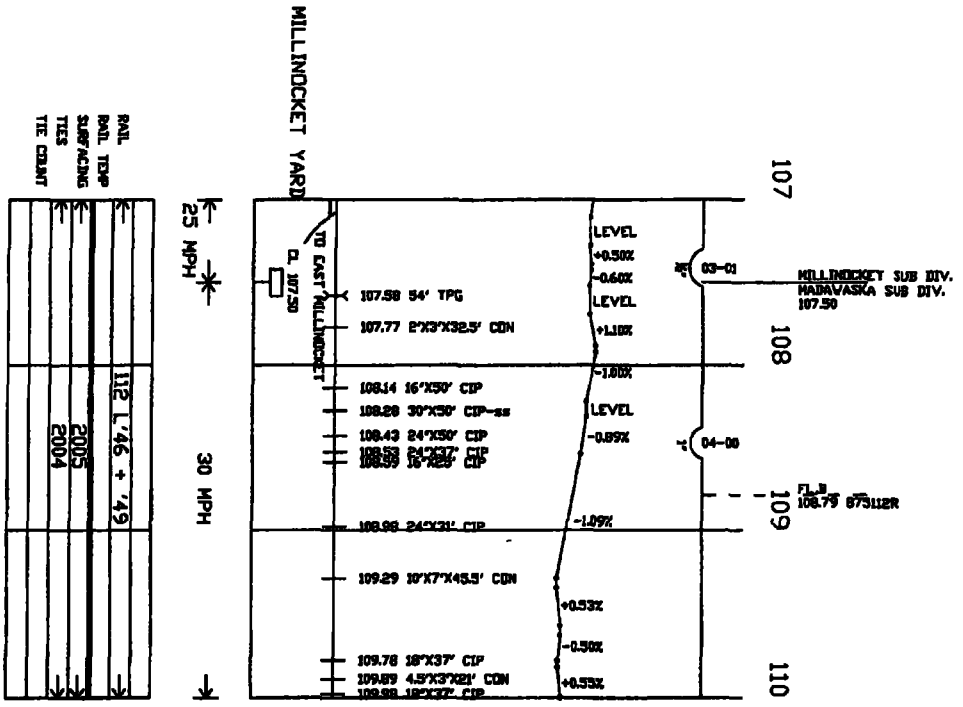
CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing Answers and Objections by causing a copy to be sent by Federal Express as of this 24th day of March, 2010 to Karyn A. Booth, Thompson Hine, 1920 N Street, N.W., Suite 800, Washington, DC 20036.

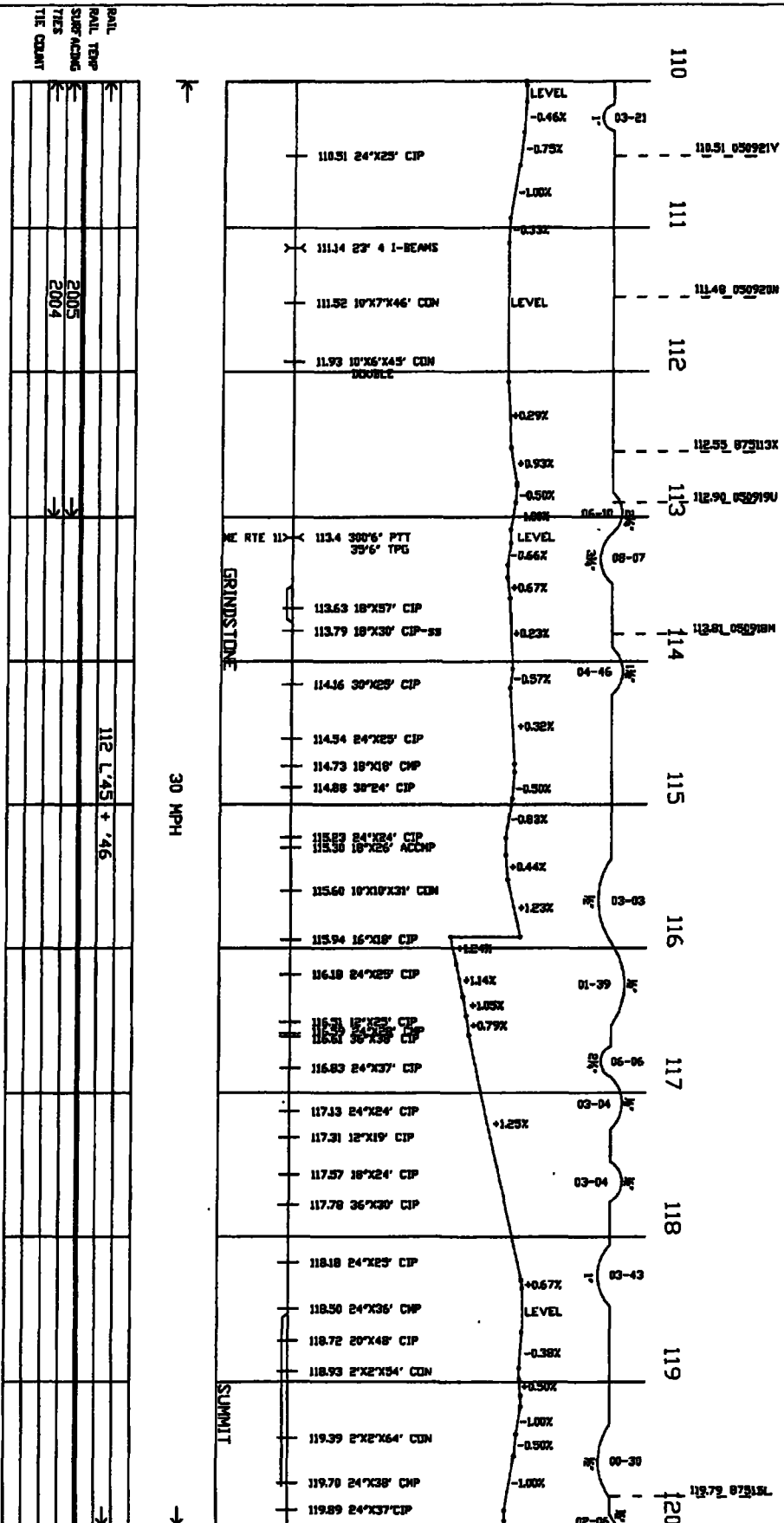

James E. Howard

2009 Customers on Abandonment Line

<u>Customer</u>	<u>Station Number</u>
MOOSE RIVER LOGS	0139
IRVING WOODLANDS LLC	0148
HUBER RESOURCES CORP	0168
IRVING WOODLANDS LLC	0168
FRASER TIMBER LIMITED	0181
FRASER TIMBER LIMITED	0192
RENE BERNARD	0192
BOL WOOD SERVICE	0194
CHANDLER LAKE INC.	0194
HUBER RESOURCES CORP	0194
J A FONTAINE INC	0194
PREMIUM LOG YARDS	0194
IRVING WOODLANDS LLC	0198
MEGANTIC MANUFACTURING	0198
MAINE WOODS CO LLC	0203
PORTAGE WOOD PRODUCTS	0203
DEAD RIVER CO	0244
IRVING WOODLANDS LLC	0244
HUBER ENGINEERED WOODS LLC	F09
MCCAIN FOODS USA, INC	F09
H C HAYNES INC	H11
LOUISIANA PACIFIC CORP	H11
AGRI-CAL, INC	H17
CAVENDISH FARMS	H17
DEAD RIVER CO	H17
LOUISIANA PACIFIC CORP	H17
TATE & LYLE INGREDIENTS, INC.	H17
LANE CONSTRUCTION CORP	L06
CAVENDISH FARMS	L15
DEAD RIVER CO	L15
S.W. COLLINS COMPANY	L15
COLUMBIA FOREST PRODUCTS	P25
DEAD RIVER CO	P25
INTERSTATE COMMODITIES	P25
LOGISTICS MANAGEMENT SYSTEMS	P25
MAINE POTATO GROWERS INC	P25
MAINE PUBLIC SERVICE CO	P25
TATER MEAL	P25
PRESQUE ISLE INDUSTRIAL PARK	P25

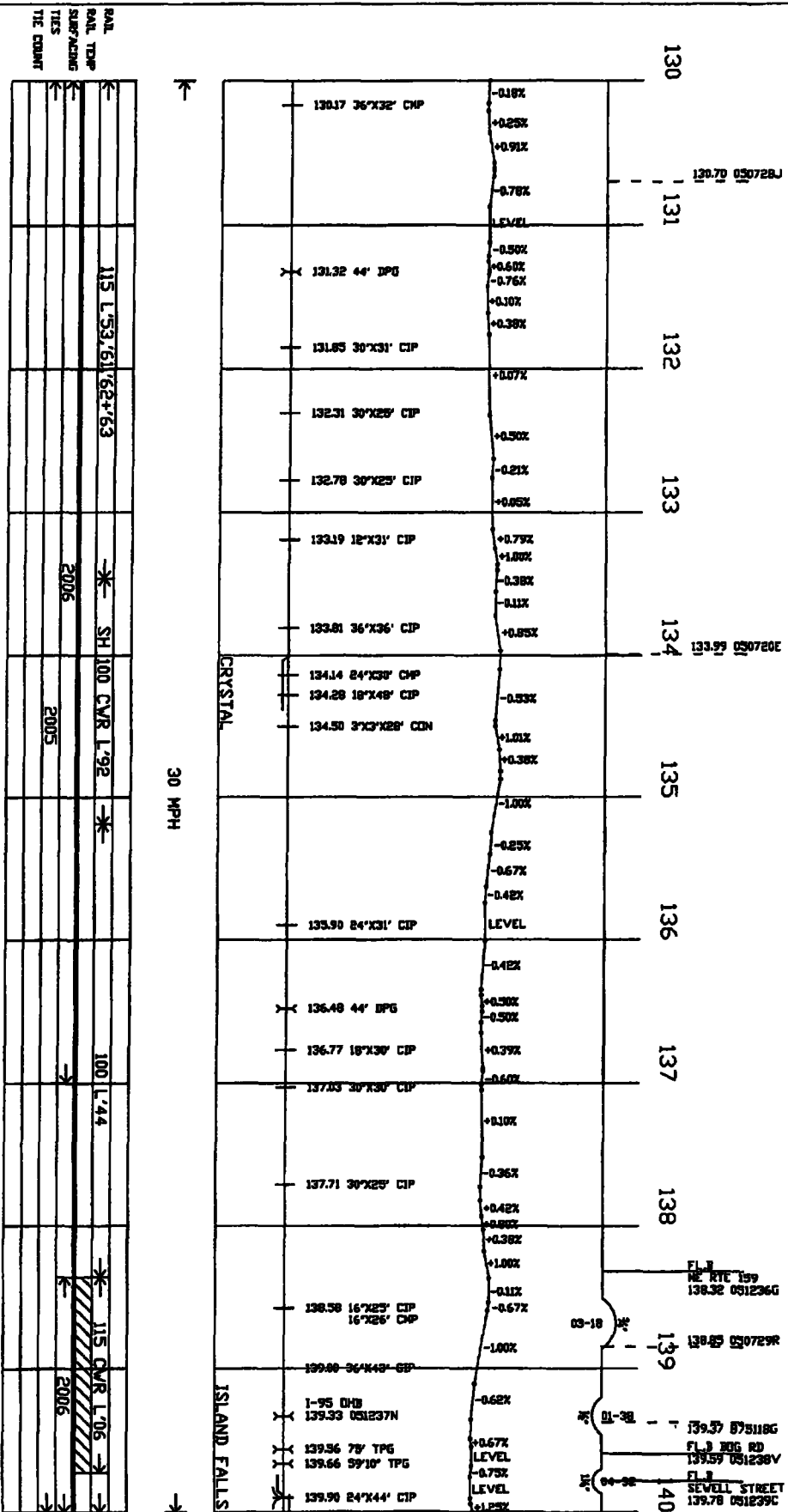


MADAVASKA SUB
UPDATED: 12/06

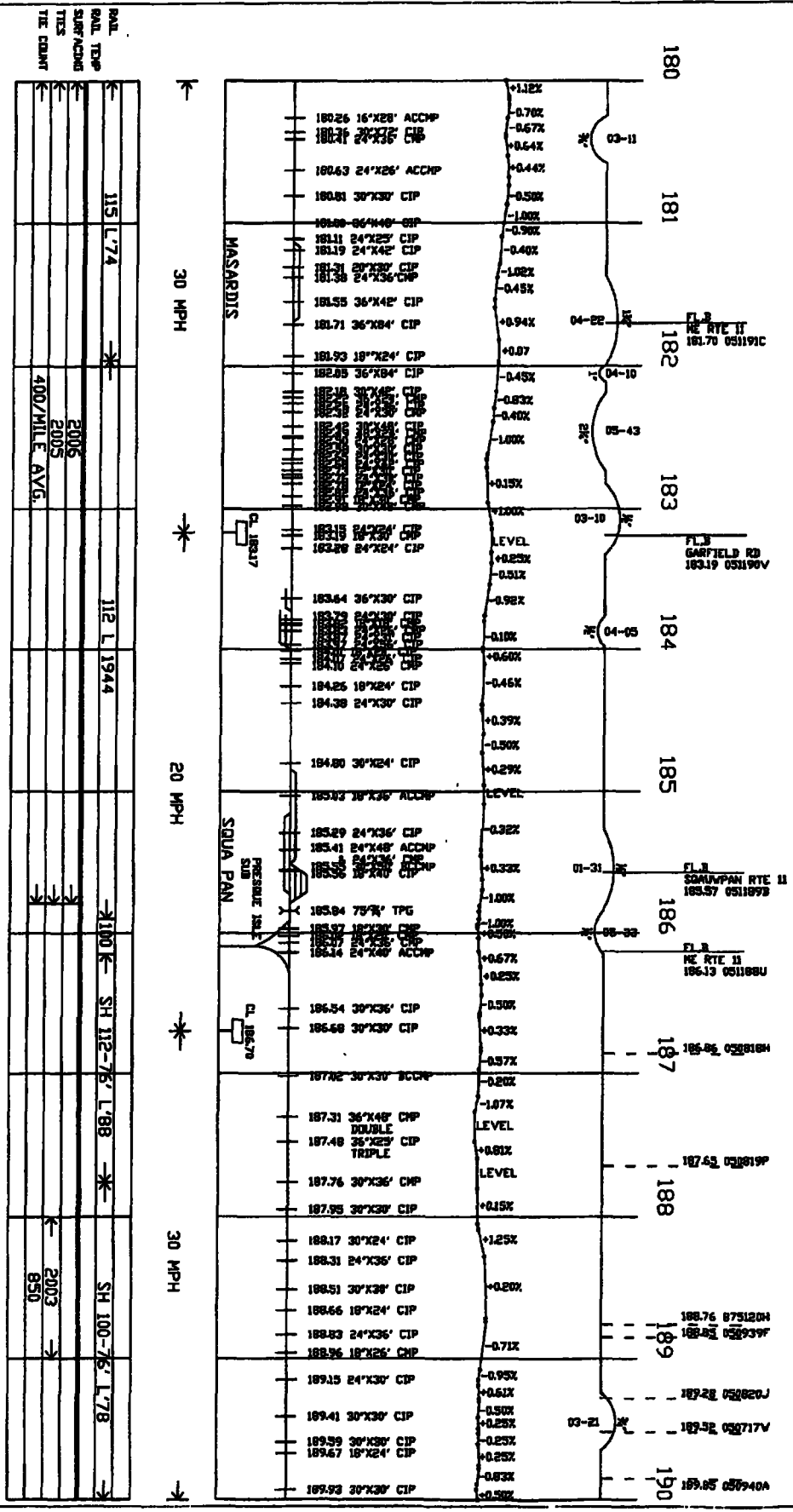


MADAVASKA SUB
UPDATED: 12/06





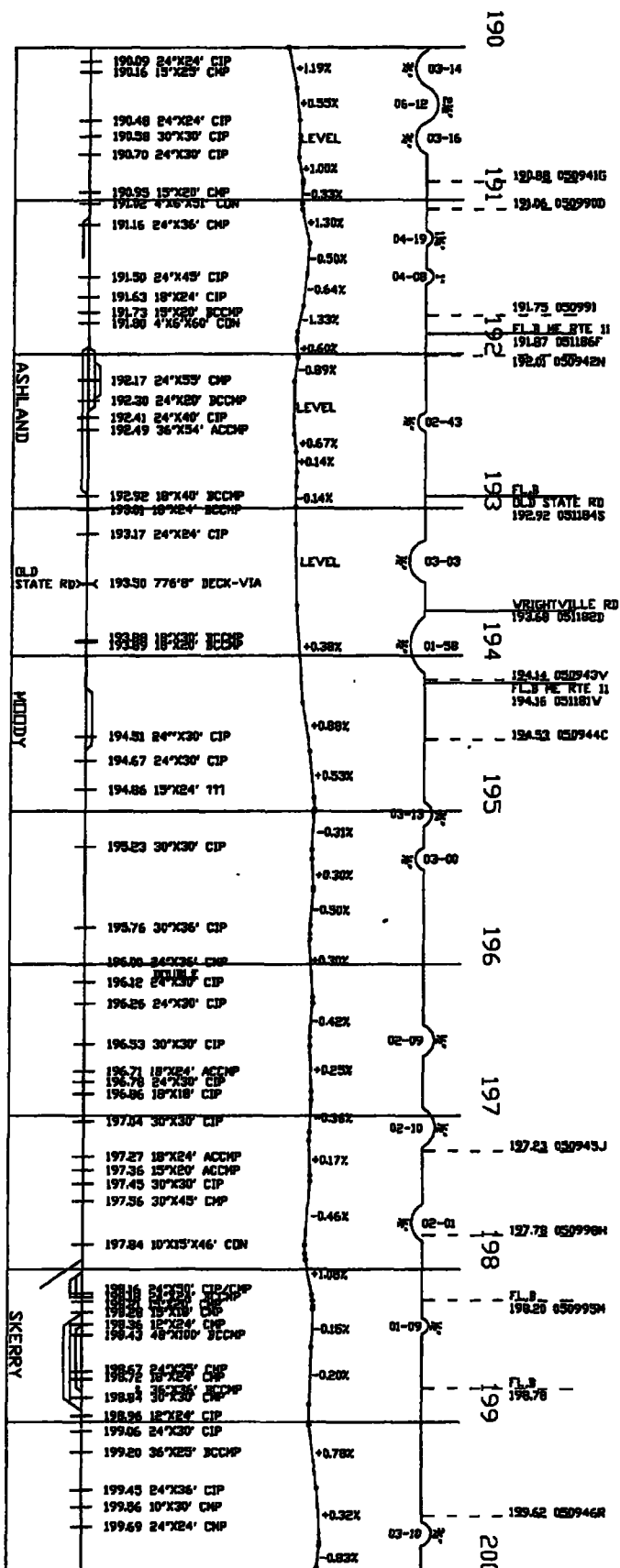
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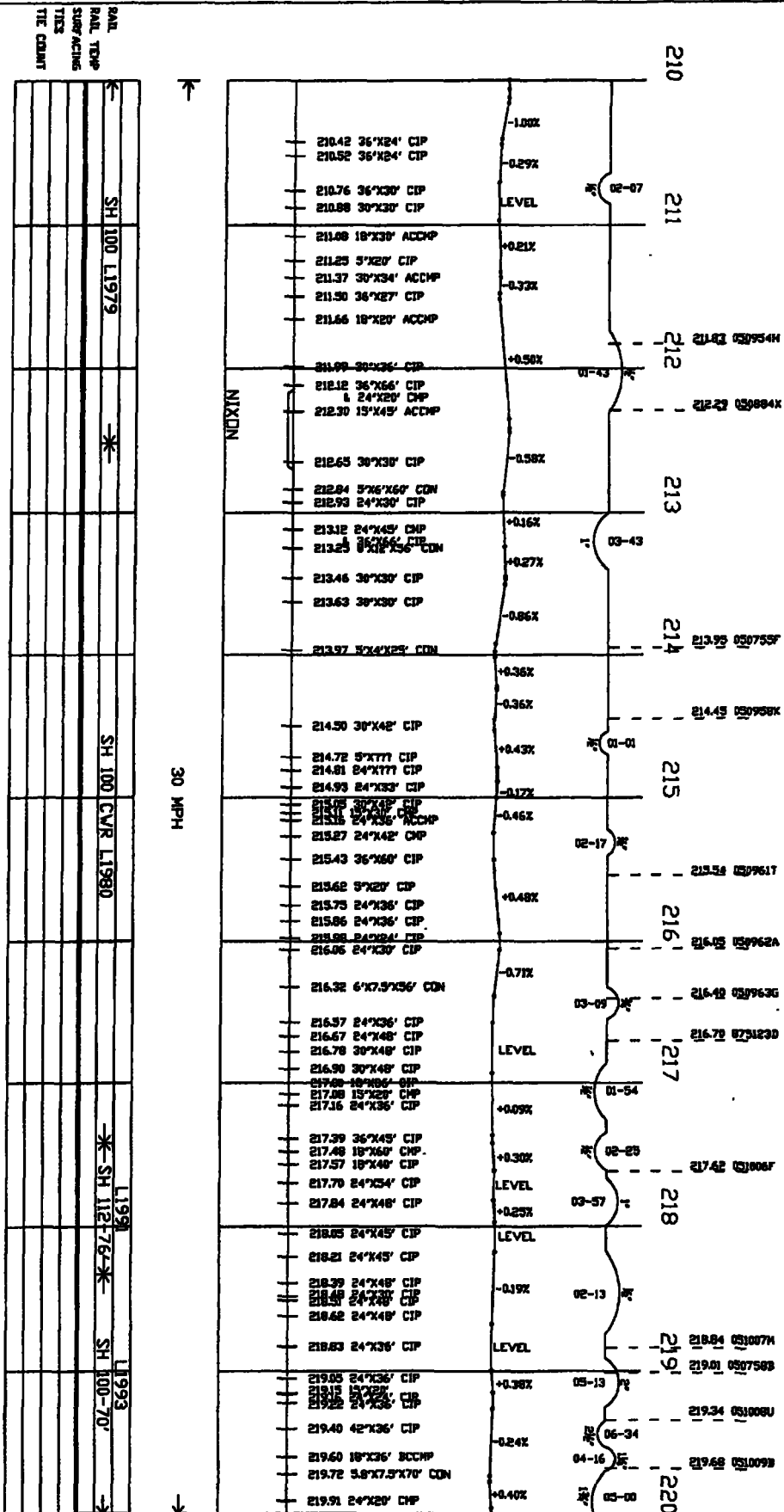


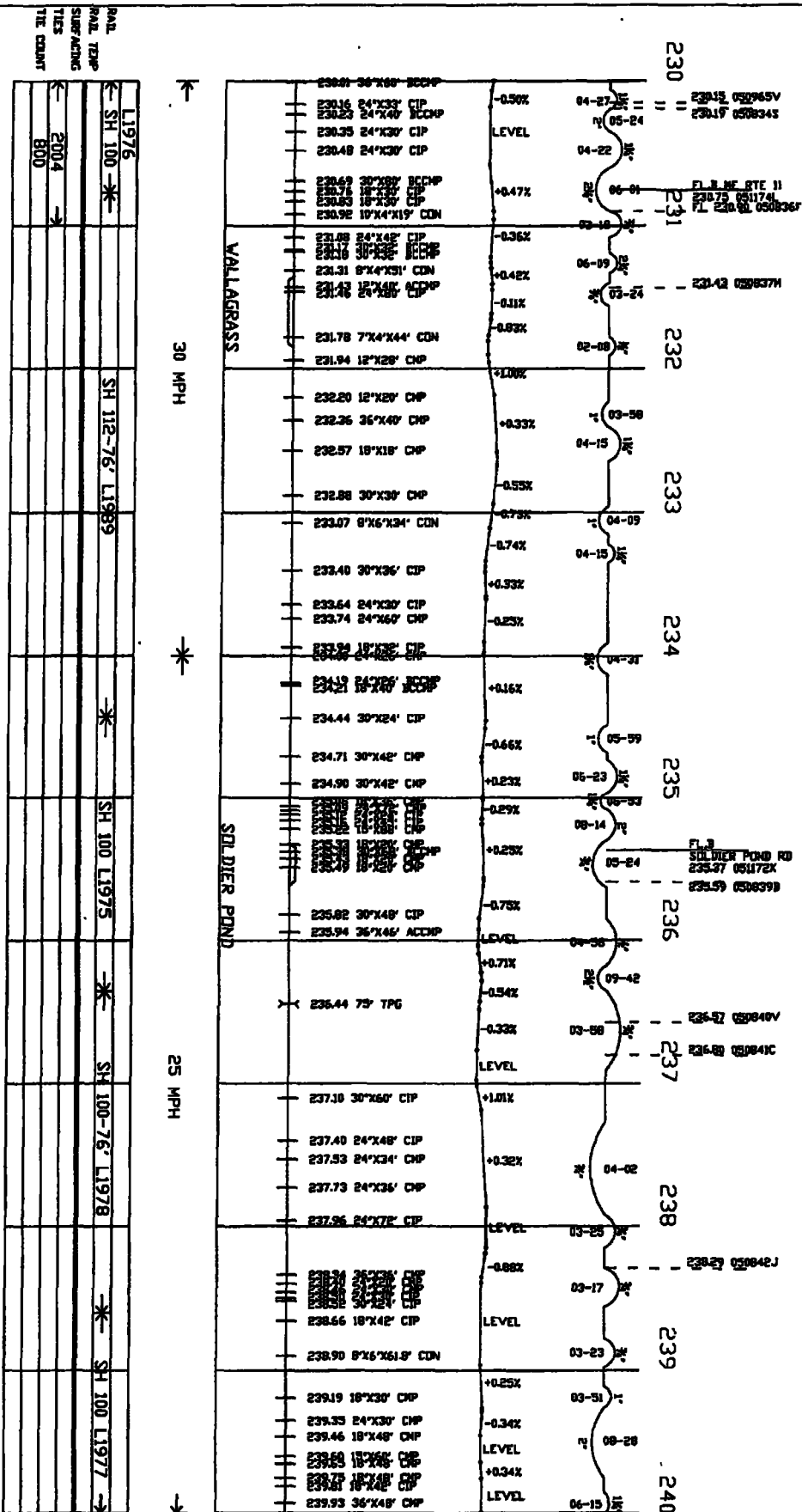
MADAVASKA SUB
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UPDATED: 12/06**







MADAVASKA SUB
UPDATED 12/06

HADAVASKA SUB
UPDATED: 12/06

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258.16	24'X24'	CMP
258.17	30'X25'	CMP
258.19	30'X30'	CMP
258.26	24'X50'	BCCMP
258.26	24'X50'	BCCMP
258.29	30'X40'	CMP
258.32	24'X50'	CMP
258.33	24'X50'	CMP
258.34	24'X50'	CMP
258.36	24'X50'	CMP
258.38	18'X50'	CMP
258.40	24'X40'	BCCMP
258.41	24'X50'	BCCMP
258.43	18'X50'	CMP
258.45	24'X50'	CMP
258.47	18'X40'	CMP
258.52	24'X60'	CMP
258.54	24'X40'	BCCMP
258.56	3'X4'X69'	CON
258.60	12'X25'	CMP
258.64	18'X20'	CMP
258.65	18'X27'	CMP
258.68	18'X26'	BCCMP
258.71	4'X3'X60'	CON
	& 30'X40'	CMP
258.87	18'X30'	CMP
258.93	12'X16'	CIP
258.95	12'X20'	CIP
258.98	12'X20'	CMP

EXHIBIT 3

Via e-mail and first-class mail

March 26, 2010

James E. Howard
Suite 201
One Thompson Square
Charlestown, MA 02129

jim@jehowardlaw.com

Re: STB Docket No. AB-1043 (Sub-No. 1), Montreal, Maine & Atlantic Railway Ltd. – Discontinuance of Service and Abandonment – In Aroostook and Penobscot Counties, Maine

Dear Jim:

On March 25, 2010, we received the Answers and Objections of the Montreal, Maine & Atlantic Railway ("MMA Response") to the first discovery of Irving Woodlands LLC and Irving Forest Products, Inc. in the above-captioned case. We disagree with several of your objections and your general refusal to answer or provide documents to many of the Interrogatories and Requests for Production. In an effort to reach an amiable solution to this disagreement, we have set forth our position in this letter, which reduces the number and scope of our discovery requests. Given the tight timeframe in this case, we ask that you respond to this letter by March 29, 2010 so that we know whether it will be necessary to pursue these matters with the Surface Transportation Board.

In the remainder of this letter, we will set forth our position on the issues raised in the MMA Response regarding specific discovery requests made by Irving Woodlands LLC and Irving Forest Products, Inc.

Interrogatories

3. This Interrogatory seeks MMA's capital expenditures separately for each of the following subdivisions: Madawaska, Presque Isle, Fort Fairfield, Limestone, and Houlton. You objected as to relevance, and to the burdensome nature of compiling the requested information. The information sought is relevant to the theory that the MMA abandonment application is excessively broad in scope, and that retaining one of the several subdivisions proposed for abandonment may have been the proper step to take in light of the public convenience and necessity standard, as well as the rural community and development standard, of 49 USC § 10903(d). As you have stated that you do not separately maintain this information by

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March 26, 2010

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subdivision, we request that you produce business records as stated in 49 CFR § 1114.26(b) so that we can undertake that burden.

9. Your response to this Interrogatory only mentioned Mr. Gottlieb's experience in selling railroad real estate property interests as complete rail corridors, and his experience valuing railroad real estate property interests by use of a corridor methodology. The Interrogatory also asked for his experience "providing testimony or verified statements in STB proceedings or other agency or court proceedings" and his experience in "electric power transmission line planning and siting." Please supplement your response.

10. Your response to this Interrogatory stated that Mr. Sherwood's experience in valuing railroad real estate property interests in rail lines was set forth in his Verified Statement and the appraisals attached thereto. However, the Verified Statement merely makes the conclusory statement that Mr. Sherwood has "extensive experience in the valuation of real estate generally and in particular with the appraisal of property owned by railroads," with no support or examples. The Verified Statement also refers the reader to the appraisals. In the appraisals, there is no reference to Mr. Sherwood having any experience valuing railroad real estate property interests. The only items remotely related were a course Mr. Sherwood took in 2000 on the Appraisal of Partial Acquisitions from the International Right of Way Association, and a statement that Mr. Sherwood's assignments have included "easements." If Mr. Sherwood has any experience in valuing railroad real estate property interests in rail lines, or providing testimony or verified statements on this topic in STB proceedings or other agency or court proceedings, please provide specific examples with relevant names, places, and dates.

11. Your response to this Interrogatory stated that Mr. Gottlieb's opinion (that "most holders of adverse rights do not know that they hold them") is based on his experience. To the extent that Mr. Gottlieb consulted, reviewed, or created any documents in developing his opinion, please produce those documents as requested by Request for Production #1.

12. Your response referred only to the absence of damages paid by the seller. Please describe Mr. Gottlieb's knowledge about whether the State of Maine, acting through the Department of Conservation or some other authority, paid damages in connection with the sale of the 43 miles of right-of-way as stated at the top of page 6 of Mr. Gottlieb's Verified Statement.

13-15. Your responses to these Interrogatories referred to conversations between Mr. Gottlieb and potential users of the right-of-way for transmission of electricity. Please describe those conversations, including the parties participating in them and the date. Additionally, to the extent that Mr. Gottlieb consulted, reviewed, or created any documents in developing his opinion, please produce those documents as requested by Request for Production #1.

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16. Your response to this Interrogatory merely mentioned the experts that MMA "has retained." The Interrogatory also requested identification of witnesses MMA expects to retain. Please supplement your response as needed.

17-18. These Interrogatories asked for the basis of various statements by your witness Mr. McGonigle. Your response was that Mr. McGonigle relied upon his experience, his observations, and his personal knowledge (and, with respect to #18, information set forth in the preliminary draft environmental assessment). To the extent that Mr. McGonigle consulted, reviewed, or created any documents in developing his opinion, please produce those documents as requested by Request for Production #1.

19. Your response to this Interrogatory (regarding the basis for the statement of Mr. McGonigle that "MMA's rail market share compared to trucks in the area served by the Abandonment Lines amounts to less the [sic] 10% of overall shipping activity") is that Mr. McGonigle relied upon his experience and personal knowledge. Given that the Interrogatory seeks the basis for Mr. McGonigle's use of a 10% figure, please describe how Mr. McGonigle calculated the 10% figure, including a copy of his calculations and identification of the inputs. To the extent that Mr. McGonigle consulted, reviewed, or created any documents in developing his opinion, please produce those documents as requested by Request for Production #1.

20-22. These Interrogatories asked for the basis of various statements by your witnesses Mr. McGonigle and Mr. Holland. Your response was that Mr. McGonigle and Mr. Holland relied upon their experience and personal knowledge (and, with respect to #22, consultation with MMA employees). To the extent that Mr. McGonigle or Mr. Holland consulted, reviewed, or created any documents in developing his opinion, please produce those documents as requested by Request for Production #1.

23. This Interrogatory asked which portions of the MMA system are encumbered as a result of the RRIF loan received by the MMA. Your response stated that the MMA system in the United States is encumbered. Please clarify whether the encumbrance applies to the MMA rail lines proposed for abandonment in STB Docket AB-1043 (Sub-No. 1).

24. This Interrogatory asked for the repayment schedule for the RRIF loan received by MMA, and you objected as to relevance. However, if any costs associated with the RRIF loan were included in the Base Year or Forecast Year in your abandonment application on February 25, 2010 in STB Docket AB-1043 (Sub-No. 1), then the repayment schedule is relevant. Please state whether RRIF-related costs were included in the Base Year or Forecast Year, and, if so, please provide the RRIF repayment schedule.

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25. We are willing to restrict the scope of this Interrogatory to the line segment from Madawaska to St. Leonard. This Interrogatory is relevant to the issues raised by the Motion to Reject or Dismiss Application, filed by Irving Woodlands and Irving Forest Products on March 12, 2010, which the STB indicated were more appropriate for the merits phase of this proceeding.

Requests for Production

1. This Request seeks documents relating to MMA's responses to all Interrogatories. You objected on breadth, vagueness, and the burdensome nature of responding. In order to reduce the scope of the Request, define it more specifically, and reduce the burden of response, we will limit the Request to the Interrogatories listed below:

- 3 – documents as described above in our statement on Interrogatory #3
- 8 – documents reviewed, consulted, or created by Ms. Sheahan or MMA staff members in their inspection of the MMA lines proposed for abandonment.
- 11 – documents reviewed, consulted, or created by Mr. Gottlieb in forming the opinion referenced in the Interrogatory.
- 12 – documents showing all damages paid by anyone to potential holders of reversionary or servient rights in connection with the sale of 43 miles of right-of-way as stated on pages 5-6 of Mr. Gottlieb's Verified Statement.
- 13-15 - documents reviewed, consulted, or created by Mr. Gottlieb in forming the opinions referenced in the Interrogatories.
- 17-22 - documents reviewed, consulted, or created by the MMA witnesses in forming the opinions referenced in the individual Interrogatories.

2. This Request asked for all documents related to discussions about purchasing or offers to purchase real estate property interests held by MMA in the rail lines proposed for abandonment. Your response stated that any such documents are confidential, proprietary, and reflect ongoing discussions. Given that the Protective Order in this case protects the confidential and proprietary nature of all designated documents, your objection is unfounded. Please provide the requested documents.

3. This Request asked for all documents related to discussions about purchasing or offers to purchase track assets owned by MMA in the rail lines proposed for abandonment. Your response stated that any such documents are confidential, proprietary, and reflect ongoing discussions. Given that the Protective Order in this case protects the confidential and proprietary nature of all designated documents, your objection is unfounded. Please provide the requested

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documents. Additionally, you stated that "MMA does not believe it has any documents" responsive to the request. The duty of a party responding to discovery is to make a "reasonable inquiry," not merely state its "belief." Moreover, the attorney signing discovery responses certifies the completeness and correctness of the responses. See Federal Rule of Civil Procedure 26(g)(1). Please make the reasonable inquiry, supplement your response, and produce the requested documents as appropriate.

4-5. In response to these Requests, you stated that "MMA does not believe it has any documents" responsive to the request. The duty of a party responding to discovery is to make a "reasonable inquiry," not merely state its "belief." Moreover, the attorney signing discovery responses certifies the completeness and correctness of the responses. See Federal Rule of Civil Procedure 26(g)(1). Please make the reasonable inquiry, supplement your response, and produce the requested documents as appropriate.

6-13. In response to these Requests, you objected as to relevance. The requested documents are relevant to the stranded line theory, which the Surface Transportation Board said (in a decision served March 17, 2010 in this docket) would be addressed on the merits in the ultimate decision in this case. Additionally, the requested documents are relevant to the public convenience and necessity standard that the STB must evaluate under 49 USC § 10903(d), as well as the rural community and development standard that the STB must also consider. Specifically, the requested documents relate to the quality of transportation service that would be provided (and the affect on shippers) if the proposed abandonment is approved. You also stated that "MMA does not believe it has any documents" responsive to the requests. The duty of a party responding to discovery is to make a "reasonable inquiry," not merely state its "belief." Moreover, the attorney signing discovery responses certifies the completeness and correctness of the responses. See Federal Rule of Civil Procedure 26(g)(1). Please make the reasonable inquiry, supplement your response, and produce the requested documents as appropriate.

14. This Request asked for copies of complaints, as well as copies of MMA's responses. You objected as to relevance, the breadth of the request, and the overly burdensome nature of responding. This Request is relevant to the possible success of rail operations on the lines proposed for abandonment if rail service were more efficient. MMA has given credence to this idea on pages 18-19 of its abandonment application. To narrow the Request, and limit the burden on MMA, we will agree to limit the Request to complaints beginning January 1, 2006 from customers (located on the lines proposed for abandonment) who have shipped or received at least 50 cars in any one year since January 1, 2006.

17-19. These Requests seek documents related to Mr. Gottlieb's statements (on page 4 of his Verified Statement) regarding possible sale of MMA real estate interests. You objected, stating

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that any such documents are confidential, proprietary, and reflect ongoing discussions. Given that the Protective Order in this case protects the confidential and proprietary nature of all designated documents, your objection is unfounded. Please provide the requested documents.

20. This Request seeks documents related to how MMA rail operations will or may change if the abandonment of the Line is approved by the STB. You objected, stating that the Request is not relevant. Your objection is misplaced. The Request is relevant to the stranded line theory, which the Surface Transportation Board said (in a decision served March 17, 2010 in this docket) would be addressed on the merits in the ultimate decision in this case. Additionally, the requested documents are relevant to the public convenience and necessity standard that the STB must evaluate under 49 USC § 10903(d), as well as the rural community and development standard that the STB must also consider. Specifically, the requested documents relate to the quality of transportation service that would be provided (and the affect on shippers) if the proposed abandonment is approved. Please supplement your response, and include documents related to the "mechanical facility" that MMA plans to construct on the Madawaska to Van Buren segment, as stated in MMA's filing on March 15, 2010 in this case.

22. This Request asked for MMA's RRIF loan application, and you objected as to relevance. If any costs associated with the RRIF loan were included in the Base Year or Forecast Year in your abandonment application on February 25, 2010 in STB Docket AB-1043 (Sub-No. 1), then the RRIF loan application is relevant. Please state whether RRIF-related costs were included in the Base Year or Forecast Year, and, if so, please provide the RRIF loan application.

24. This Request seeks workpapers and documents related to the Verified Statements of the MMA witnesses. You objected, claiming the Request is overly broad and that a response would be unduly burdensome. In order to reduce the scope and burden associated with the Request, we will limit the Request to just those workpapers and documents consulted, reviewed, or created in the drafting of the Verified Statements.

25. In response to this Request, you objected as to relevance and breadth, and you said compliance would be unduly burdensome. The Request is relevant to the reasons for the decline in traffic on the abandonment lines. In order to reduce the breadth of the Request, and the burden of response, we will limit the Request to travel logs, schedules, or lists of visits by MMA marketing personnel to significant customers of MMA since January 1, 2006.

26. This Request seeks documents related to the volume of traffic handled and the total capacity at the Hermon, Maine facility of Logistics Management Systems from 2003-2009. You objected as to relevance and breadth, and you said compliance would be unduly burdensome. The Request is relevant to the stranded line theory, which the Surface Transportation Board said

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(in a decision served March 17, 2010 in this docket) would be addressed on the merits in the ultimate decision in this case. Additionally, the requested documents are relevant to the public convenience and necessity standard that the STB must evaluate under 49 USC § 10903(d), as well as the rural community and development standard that the STB must also consider. Specifically, the requested documents relate to the quality of transportation service that would be provided (and the affect on shippers) if the proposed abandonment is approved. MMA has specifically stated that shippers will not be materially affected by the proposed abandonment because they can use the Hermon LMA facility. See MMA application at page 19, and McGonigle V.S. at page 17. In order to reduce the breadth of the Request, and the burden of response, we will limit the Request to documents showing the capacity of the Hermon LMA facility, and the usage of the facility, since January 1, 2006.

27. This Request seeks documents related to expected traffic at (and revenues generated by) the Hermon, Maine facility of Logistics Management Systems if the proposed abandonment is approved. You objected as to relevance. As described above in our statement on Request #26, the requested documents are relevant. You also stated that MMA does not have any of the requested documents. Given the importance of the LMA facility to MMA's theories in the abandonment application, we are seeking clarification that MMA has no documents responsive to Request #27.

28. This Request seeks documents related to the "contemplated" transload facility at Millinocket, as described on page 17 of the Verified Statement of Joseph McGonigle. You objected as to relevance. This Request is relevant, because MMA is relying upon the possible construction of the contemplated transload facility as one reason why shippers would not be materially affected by the proposed abandonment. See pages 19-20 of the abandonment application. You also stated that MMA does not have any of the requested documents. Given the importance of the transload option to MMA's theories in the abandonment application, we are seeking clarification that MMA has no documents responsive to Request #28.

Please let us know if you have any questions.

Best regards,



David E. Benz

EXHIBIT 4

James E. Howard

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March 30, 2010

VIA E-MAIL

David E. Benz
Thompson Hine
1920 N Street, N.W.
Washington, DC 20036

Dear David:

This will respond to your letter to me dated March 26, 2010 concerning your written discovery directed to Montréal, Maine & Atlantic Railway and MMA's response. The numbered paragraphs below correspond to the numbers in your letter.

Interrogatories

3. We continue to believe that information concerning capital expenditures segregated by subdivision is not relevant to MMA's decision concerning the lines that it seeks to abandon, but we will either provide such information from MMA's records or permit you to review those records. It is not clear that such information is readily available for the earlier years.

9. In answer to your interrogatory, Mr. Gottlieb's experience was stated in MMA's response. To the extent that there was no answer addressing the question of testimony in STB proceedings or other proceedings or no answer concerning experience in "electric power transmission line planning and siting", means that there is no such experience.

10. Mr. Sherwood's experience valuing railroad real estate property interests includes valuations of properties 1, 2 and 5 listed at pages MMA 000729, 000731 and 000737 of the application and a review on behalf of the State of Maine of the appraisal done for sale 6 on page 000739. In addition, Mr. Sherwood appraised the right-of-way between Presque Isle and Washburn, Maine on behalf of the State of Maine in 2001 and reviewed the appraisal of the line between Fort Kent and St. Francis, Maine on behalf of the State in 2000. Mr. Sherwood has not provided testimony in STB proceedings. He has testified in various courts or other proceedings, as shown in the list attached hereto.

11. Mr. Gottlieb did not consult, review or create any documents in developing his opinion concerning holders of adverse rights.

12. Mr. Gottlieb does not have any knowledge whether the State of Maine paid any damages in connection with the sale of 43 miles of right away. Mr. Gottlieb's Verified Statement states at page 6 that the State used a statutory procedure, not, as implied by your letter, that the state paid any damages.

13-15. MMA does not believe that disclosure of further details concerning confidential conversations with potential users of the rights-of-way for the transmission of electricity is warranted or justified at this time. Notwithstanding the protective order, there is a risk that any such disclosure would prejudice MMA. Furthermore, such conversations are not the basis for any valuation of MMA's real estate in the rights-of-way that constitute the lines to be abandoned.

16. At the time of its response, MMA did not expect to retain any additional expert witnesses or outside consultants. MMA now anticipates the possibility of retaining James N. Heller of Chevy Chase, Maryland.

17-18. Mr. McGonigle consulted several public documents, including documents available at the following websites:

http://www.maine.gov/doc/mfs/pubs/pdf/wdproc/08_wdproc.pdf;

<http://www.maine.gov/mdot/freight/comm-vehicle-maine.php>

<http://www.maine potatoes.com/pubreser.html>

www.maine.gov.

19. Mr. McGonigle developed his calculation of rail market share by taking into account the overall transportation activity within the region, including transportation and which MMA does not participate, such as the potato/grain harvest and timber harvest. He consulted various documents, including documents available at the websites noted above.

20-22. Mr. McGonigle and Mr. Holland consulted, reviewed or created no documents in developing these opinions.

23. The MMA system in the United States includes the lines to be abandoned.

24. There are no costs associated with the RRIF loan included in the Base Year or Forecast Year calculations in the abandonment application.

25. MMA continues to believe that information concerning carloads of wood pulp, wood chips or logs originating on the line between Madawaska and St. Leonard and moving to destinations outside of Maine is not relevant. The stranded segment argument raises the issue whether a particular line will remain connected to the rail system after abandonment of a connected line. The argument does not raise issues concerning traffic originated on a segment that is alleged to be stranded.

Requests for Production

1. MMA will search for documents reviewed, consulted or created by Ms. Sheahan or MMA staff members in their inspection of the lines proposed for abandonment. The other documents requested are addressed in the discussion of the Interrogatories above.

2. MMA does not believe that production of documents related to discussions about purchasing real property interests is warranted or justified at this time. Notwithstanding the protective order, there is a risk that production would prejudice MMA.

3. MMA does not believe that production of documents related to discussions about purchasing track assets is warranted or justified at this time. Notwithstanding the protective order, there is a risk that production would prejudice MMA. The statement that MMA does not believe that it has any responsive documents is based upon a reasonable inquiry to determine whether any such documents exist.

4-5. See response in third sentence of 3 above.

6-13. As described above, the stranded segment theory raises the question only whether any particular line would be isolated from the rail system as a result of an abandonment of a connecting line. The information sought by Irving does not bear on the argument that the Madawaska-St. Leonard line is a stranded segment. See also response in third sentence of 3 above.

14. You have contended that complaints from customers and MMA's responses are relevant to the "possible success of rail operations on the lines proposed for abandonment if rail service were more efficient". MMA denies that it has "given credence to this idea", as you contend, and continues to believe that customer complaints are not relevant to any issue in this proceeding. Furthermore, Irving presumably has a complete record of any complaints that it has made as well as MMA responses, and Irving is presumably able to obtain from other customers any documents such customers may have concerning complaints. Notwithstanding the foregoing, we will review appropriate files to determine whether, consistently with your narrowed request, there are documents reflecting complaints beginning January 1, 2006 from significant customers (other than Irving) located on the abandonment lines.

17-19. Notwithstanding the protective order, MMA does not believe production of such documents would be warranted or appropriate at this time, because there is a risk that production would prejudice MMA.

20. Any change in MMA rail operations that will or may occur if the abandonment is approved is either self-evident--operations on the abandonment lines will cease--or not relevant to any issue in this proceeding, including the stranded line theory.

Furthermore, MMA does not have any documents related to the mechanical facility that it would construct on the Madawaska line if the abandonment application is approved.

22. Costs related to the RRIF loan were not included, in accordance with the Board's regulations, in the Base Year or Forecast Year calculations.

24. Workpapers and documents related to the Verified Statements were included in the application for Messrs. Finley and Holland and for Ms. Sheahan. We will make another review to see whether there are any additional workpapers or documents consulted, reviewed or created in connection with the preparation of the Verified Statements.

25. MMA continues to object to this request. Furthermore, the reasons for the decline in traffic were set forth in the application and verified statements. Notwithstanding this objection, we will review appropriate files in order to determine whether there are documents showing travel logs, schedules or lists of visits to significant customers since January 1, 2006.

26. MMA continues to believe that documents reflecting the capacity and usage of the LMS facility in Hermon are not relevant. Furthermore, the characterizations in your letter concerning MMA's statements in the application are not accurate. MMA referred to the LMS facility as part of the alternative transportation discussion in the event that customers on the abandonment lines no longer have direct rail service to or from their facilities. Notwithstanding these objections, MMA will undertake a review for documents showing the capacity and usage of the LMS facility since January 1, 2006.

27. MMA hereby clarifies that the statement in its response that "it does not have any documents related to expected traffic and revenues at LMS if the abandonment is approved" means that it does not have any such documents.

28. The characterizations in your letter concerning MMA's statements in the application are not accurate. MMA hereby clarifies that the statement in its response that "it does not have any documents related to the contemplated transload facility at Millinocket" means that it does not have any such documents.

Please consider our response to your written discovery supplemented to the extent outlined above. In addition, we are supplementing the answer to interrogatory 7 by stating that Ms. Sheahan has experience in determining the net liquidation value of rail assets in connection with the TIGER grant application submitted by Maine DOT in September, 2009. I understand your recent e-mail to indicate that Irving no longer wishes to conduct any inspection of the lines.

Very truly yours,


James E. Howard

COURT EXPERIENCE — Sherwood

Penobscot County Superior Court (Bangor)

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Aroostook County Superior Court (Houlton & Caribou)

Cumberland County Superior Court (Portland)

Hancock County Superior Court (Ellsworth)

Washington County Superior Court (Machias)

Waldo County Superior Court (Belfast)

Piscataquis County Superior Court (Dover)

District Courts in Penobscot, Piscataquis and Hancock Counties

Federal District Court (Bangor)

Federal Bankruptcy Court (Bangor)

Federal Bankruptcy Court (NYC)

State Claims Board

State Board of Property Tax Review

County Commissioners Hearings in Penobscot, Aroostook, Washington & Piscataquis Counties

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